

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



June 14, 2007

ALL COUNTY INFORMATION NOTICE NO. I-32-07

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: REPORTING METHODOLOGY FOR COUNTY TEMPORARY ASSISTANCE FOR
NEEDY FAMILIES (TANF) WORK PARTICIPATION RATES

REFERENCE: ALL COUNTY LETTER (ACL) 06-06

REASON FOR THIS TRANSMITTAL

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order
- ☒ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

In response to county requests for information about TANF work participation rates, the Department has examined federal interim final TANF regulations to develop preliminary guidance for calculating work participation rates. After comparing the previous rules to the new rules represented in the Deficit Reduction Act of 2005 (DRA), we have determined that there is little difference between them.

This notice transmits preliminary guidance for calculating the All Family and Two Parent TANF work participation rates. They are very similar to the instructions provided in ACL 06-06 for the method used by counties in calculating the All Family rate and are based on changes required by the new federal rules enacted in the DRA. It is important to note that the new instructions apply to data from the E2Lite system only. They do not include consideration of Q5i sample data. Therefore, counties should use the attached methodology only as a preliminary gauge of county-specific TANF work participation rates.

The following are differences between the previous and new federal rules for calculating TANF work participation rates:

- For a case to be included in the numerator, the case must include a work-eligible individual who is meeting the federal work participation requirements. Under US Department of Health and Human Services definitions, a work-eligible individual includes a non-recipient parent residing with a child receiving assistance. Previously, all cases with aided adults or minor heads-of-household who were meeting the work participation requirements were included.
- For a case to be included in the denominator, the case must include at least one work-eligible individual. Previously, all cases with at least one aided adult or minor head-of-household were included.
- The denominator is reduced by the number of cases that include an individual who has been sanctioned for three months or less in the previous 12-month period. Previously, this did not apply in California because sanctioned individuals are not aided or included in the assistance unit.

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- Families served under separate state programs are subject to the TANF work participation requirement. Previously, two-parent families were part of a separate state program in California and counties were not required to report on them.

Based on an ongoing review of the new methodology and an upcoming review of the pending final federal TANF regulations, the instructions for calculating TANF work participation rates may be modified again. In addition, the Department is in the process of developing a more technical methodology for the E2Lite survey tool and the comma-separated-values file tool that will be shared with counties for further assistance in calculating county-specific TANF participation rates.

Any questions should be directed to your county's Work Participation Rate Consultant in the Federal Data Reporting and Analysis Bureau. Contact information for Consultants is provided in Attachment 8 of All County Letter 07-05.

Sincerely,

**Original Document Signed by
Kären Cagle on June 14, 2007**

KÄREN CAGLE, Chief
Estimates and Research Services Branch

Attachment

cc: CWDA
CSAC

INSTRUCTIONS FOR CALCULATING COUNTY-SPECIFIC TANF WORK PARTICIPATION RATES

The following preliminary guidance can be used to calculate All-Families and Two-Parent work participation rates. In general, there is little difference between the previous federal rules and the rules recently enacted in the Deficit Reduction Act of 2005. Changes are indicated with an asterisk (*).

NEW TERM – WORK ELIGIBLE INDIVIDUAL*

The definition of a work-eligible individual, based on federal regulations and California's Interim Work Verification Plan, is an adult (or minor child head-of-household) receiving assistance under TANF or a separate State program or a non-recipient parent living with a child receiving such assistance unless the parent is:

- A minor parent and not the head-of-household or spouse of the head-of-household; or
- An alien who is ineligible to receive assistance due to his or her immigration status; or
- A recipient of Supplemental Security Income (SSI) benefits or of the state program for persons who are ineligible for SSI benefits solely due to immigration status.

The definition also excludes:

- A parent providing care for a disabled family member living in the home who does not attend school on a full-time basis, provided that the need for such care is supported by medical documentation; and
- An individual in a family receiving maintenance of effort-funded assistance under an approved Tribal TANF program.

TWO PARENT CASES*

For purposes of calculating the two-parent work participation rate, a two-parent family means two natural or adoptive parents (of the same minor child) who are work-eligible individuals and living in the home, unless both are minors and neither is a head-of-household.

TWO-PARENT NUMERATOR*

The two-parent work participation rate numerator is the number of Two-Parent cases that meet federal work requirements. For a case to be included in the numerator, it must meet the following conditions:

- The family must be included in the denominator;
- Both parents must be work-eligible individuals;
- Parents must participate in federally-allowable work activities for a combined average of 35 hours per week;

- At least 30 of the 35 hours must be in core activities and after participating at least 30 core hours per week of the 35 required hours, non-core activities may also count as participation; and
- Not more than 30 percent of all the cases included in the numerator may be deemed as meeting the federal requirement through:
 - Participation in vocational educational training, or
 - Maintaining satisfactory attendance at a secondary school or the equivalent or participating in education directly related to employment for an average of at least 20 hours per week.

TWO-PARENT DENOMINATOR*

The two-parent work participation rate denominator is the number of Two-Parent cases that must meet the work participation requirement (consistent with federal criteria), minus the number of such cases that include an individual who has been sanctioned for three months or less in the previous 12-month period. (Note: This applies only in a month for which the family is disregarded from the participation rate. While one or more adults may be subject to a sanction in more than three months within the preceding 12-month period, the family may not be disregarded from the participation rate for more than three months within the preceding 12-month period.) For a case to be included in the denominator, it must meet the following conditions:

- Receives TANF assistance for the month; and
- Both parents are work-eligible individuals and meet the definition of two-parent families (defined above).

CALCULATION OF THE TWO-PARENT WORK PARTICIPATION RATE*

The Two-Parent work participation rate for the month is calculated as follows:

- The number of two-parent TANF families in which both parents are work-eligible individuals and together they meet the participation requirements (the two-parent numerator), divided by
- The number of two-parent TANF families in which both parents are work-eligible individuals during the month, minus the number of such two-parent families that are in sanction in that month and for no more than three of the last 12 months (the two-parent denominator).

ALL FAMILIES CASES

ALL FAMILIES NUMERATOR

The All Families work participation rate numerator is the number of All Families cases, including Two-Parent cases, that meet federal work requirements. For a case to be included in the numerator, it must meet the following conditions:

- The family must be included in the denominator;
- The case must contain at least one work-eligible individual*;
- One work-eligible individual must participate in federally-allowable activities an average of 30 hours per week*;
 - For a single custodial parent with a child under six years of age, the requirement is 20 hours of core activities per week.
 - A single head of household under 20 years old, without a high school diploma or equivalent, counts as engaged in work in a month if he or she maintains satisfactory attendance at a secondary school or the equivalent or participates in education directly related to employment for an average of at least 20 hours per week.
- At least 20 of the 30 hours must be in core activities;
- After participating in at least 20 core hours per week of the 30 required hours, non-core activities may also count as participation; and
- Not more than 30 percent of all the cases included in the numerator may be deemed as meeting the federal requirement through:
 - Participation in vocational educational training, or
 - Maintaining satisfactory attendance at a secondary school or equivalent or participating in education directly related to employment for an average of at least 20 hours per week.

ALL FAMILIES DENOMINATOR

The All Families work participation rate denominator is the number of All Families cases that are required to meet the work participation requirement (consistent with federal criteria) minus the number of such cases that include an individual who has been sanctioned for three months or less in the previous 12-month period*. (Note: This applies only in a month for which the family is disregarded from the participation rate. While one or more adults may be subject to a sanction in more than three months within the preceding 12-month period, the family may not be disregarded from the participation rate for more than three months within the preceding 12-month period.) Single custodial parent cases with a child under one year of age may be disregarded from the denominator for a lifetime limit per adult of 12 months. This allows counties to remove these single custodial parents who are not meeting the federal hourly work requirements from the denominator.

For a case to be included in the denominator, it must meet the following conditions:

- Receives TANF assistance for the month; and
- Includes at least one work-eligible individual*.

CALCULATION OF THE ALL FAMILIES WORK PARTICIPATION RATE

The All Families work participation rate for the month is calculated as follows:

- The number of TANF families that include a work-eligible individual who meets the participation requirements* (the All Families numerator) divided by
- The number of TANF families that include a work-eligible individual, minus the number of such families that are in sanction in that month and for no more than three of the last 12 months* (the All Families denominator).